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10/001,240	11/14/2001	Peter Martyn	09857-072001	9278
26161 7590 04/05/2007 FISH & RICHARDSON PC P.O. BOX 1022 MINNEAPOLIS, MN 55440-1022			EXAMINER OYEBISI, OJO O	
			ART UNIT	PAPER NUMBER
			3692	
SHORTENED STATUTORY PERIOD OF RESPONSE		MAIL DATE	DELIVERY MODE	
3 MONTHS		04/05/2007	PAPER	

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

## Office Action Summary

Application No.

10/001,240

Applicant(s)

MARTYN ET AL.

Examiner

OJO O. OYEBISI

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 04 January 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-22 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-22 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date 01/04/07
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_

### DETAILED ACTION

In the amendment filed on 01/04/2007, the following have occurred: claims 4-5, and 13 have been amended, and claims 1-22 remain pending.

#### ***Double Patenting***

1. The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. A nonstatutory obviousness-type double patenting rejection is appropriate where the conflicting claims are not identical, but at least one examined application claim is not patentably distinct from the reference claim(s) because the examined application claim is either anticipated by, or would have been obvious over, the reference claim(s). See, e.g., *In re Berg*, 140 F.3d 1428, 46 USPQ2d 1226 (Fed. Cir. 1998); *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) or 1.321(d) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent either is shown to be commonly owned with this application, or claims an invention made as a result of activities undertaken within the scope of a joint research agreement.

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

2. Claims 4,8,13, and 19 are provisionally rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims 8, 11, 19, and 22 of copending Application No. 09812225. Although the conflicting claims are not identical, they are not patentably distinct from each other because the referenced copending application and the instant application are claiming common subject matter, as follows: Claim 4 of the instant application recites "the method wherein the electronic market maintains the displayable quote size for the eligible market maker for the security traded in the market," and claim 22 of the copending application recites substantially the same limitations as claim 4 of the instant application. Claim 8 of the instant application recites "the method wherein the odd-lot execution manager is a separate mechanism for processing and executing orders distinct from normal units of trading." Claim 8 of the copending application recites substantially the same limitations except that claim 8 of copending application, in the preamble, recites "wherein routing received odd lot order occurs in an odd-lot manager". Further, Claim 13 of the instant application recites substantially the same limitations as claim 19 of the copending application. And lastly, claim 19 of the instant application recites substantially the same limitations as claim 11 of the copending application. This is a provisional obviousness-type double patenting rejection because the conflicting claims have not in fact been patented.

***Claim Rejections - 35 USC § 102***

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

4. Claims 1-18, 20-22 rejected under 35 U.S.C. 102(e) as being anticipated

Samukawa et al (Samukawa hereinafter, US PUB No:2002/0023043).

**Re claim 1.** Samukawa discloses a method for trading odd-lots of a security in an electronic market for trading securities; comprises executing an odd-lot order with an eligible market participant (see abstract); and updating an odd-lot position of the eligible market participant to reflect the executed odd-lot order; determining when the odd-lot position for the eligible market participant corresponds to a round lot size (see pg 1 paras 0005-0006); and decrementing the odd-lot position by the round lot size (i.e., see S9-S15 fig.2, especially S13 “accept the odd lot buying order until m becomes 0; reject otherwise”, meaning that Samukawa works through an iterative process with the ideal goal of reaching a “buying order insufficiency” of zero for odd lots. Thus, it is inherent that the system has a way to constantly decrement the odd-lot exposure information of a participant once certain orders are executed, or else this limit would never reach

zero).

**Re claims 2.** Samukawa discloses the method further comprising: determining whether the received odd lot order is from a customer of the eligible market participant who is at an inside price (the odd broker system disclosed by Samukawa is connected to a network as well as a security exchange, see fig.1, thus it is inherent that this system has the capability to authenticate the received odd lot order); and executing the received odd lot order against the eligible market participant irrespective of a time priority of the eligible market participant (see abstract).

**Re claim 3.** Samukawa further discloses the method further comprising: a process to determine if the odd-lot order is a marketable order (i.e., "accept the odd lot buying order until  $m$  becomes 0, reject otherwise" see fig.2 elements S13 and S15).

**Re claim 4.** Samukawa further discloses the method wherein the electronic market maintains a displayable quote size for the eligible market maker for the security traded in the market (see pg 2 paras 0025).

**Re claim 5.** Samukawa further discloses the method wherein the displayable quote size for the market maker in the security is decremented by one round lot when decrementing the position of the eligible market participant (i.e., the counter terminal and the customer terminal and display the buying order insufficiency  $m$  on the display device, see pg paras 0027)

**Re claim 6.** Samukawa further discloses the method wherein if the odd lot order is not marketable when received from an order entry firm it is returned to the order entry firm (i.e., "accept the odd lot buying order until  $m$  becomes 0, reject otherwise" see fig.2

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elements S13 and S15).

**Re claim 7.** Samukawa further discloses the method wherein the odd-lot positions are track for both sides of the market and are specified for the security traded by an eligible market participant and for each eligible market participant (i.e., first, odd lot buying orders or odd lot selling orders for a particular stock company is received (step S5). Next, it is judged whether or not the number of total buying order stocks of the odd lot or the number of total selling order stocks of the odd lot exceeds a predetermined threshold that is determined according to a predetermined rule (step S9). If it is judged that the number of total buying order stocks of the odd lot or the number of total selling order stocks of the odd lot exceeds a predetermined threshold that is determined according to a predetermined rule, a buying order of the round lot stock number defined for the particular stock company for the odd lot buying orders, a selling order of the round lot stock number for the odd lot selling orders is executed (step S11). Then, it is judged whether the number of total buying order stocks of the odd lot or the number of total buying order stocks of the odd lot is over the round lot stock number (step S17), see the abstract)

**Re claim 8.** Samukawa further discloses the method wherein the odd-lot execution manager is a separate mechanism for processing and executing orders distinct from normal units of trading (see fig.1 element 31).

**Re claim 9.** Samukawa discloses the method wherein the odd lot order is part of a mixed lot (see pg 1 paras 0005, also see the abstract).

**Re claim 10.** Samukawa further discloses the method of claim 1 wherein a round lot

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portion of the mixed lot is executed against the eligible market participant's displayed quote (i.e., If it is judged that the number of total buying order stocks of the odd lot or the number of total selling order stocks of the odd lot exceeds a predetermined threshold that is determined according to a predetermined rule, a buying order of the round lot stock number defined

for the particular stock company for the odd lot buying orders, a selling order of the round lot stock number for the odd lot selling orders is executed....., see abstract)

**Re claims 11.** Samukawa further discloses the method, further comprising: resetting the odd-lot position for the eligible market participant if the eligible market participant changes its corresponding displayed quote (i.e., see pg 2 paras 0025, "the counter terminal and the customer terminal display the current price quotation on the display device", thus since Samukawa displays current price quotation, it is inherent that Samukawa has a mechanism to update quoted price, and if the market participant makes any changes to his displayed quote, Samukawa would reset the odd-lot position of the corresponding displayed quote).

**Re claim 12.** Samukawa further discloses the method further comprising: a process to reset the odd-lot position for the eligible market participant at the close of trading on the market (i.e., see pg 2 paras 0025, "the counter terminal and the customer terminal display the current price quotation on the display device", thus since Samukawa displays current price quotation, it is inherent that Samukawa has a mechanism to update quoted price, and at the close of trading, Samukawa would reset the odd-lot position of the corresponding displayed quote).



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**Re claim 13.** Claim 13 recites similar limitations to claim 1 and thus rejected using the same art as in claim 1.

**Re claim 14.** Samukawa further discloses the electronic market further comprising: a process to determine if the odd-lot order is a marketable order (i.e., "accept the odd lot buying order until m becomes 0, reject otherwise" see fig.2 elements S13 and S15).

**Re claim 15.** Samukawa discloses the electronic market further comprising a process to determine whether the received odd lot order is from a customer of the eligible market participant who is at an inside-price price (the odd broker system disclosed by Samukawa is connected to a network as well as a security exchange, see fig.1, thus it is inherent that this system has the capability to authenticate the received odd lot order; and a process to execute the received odd lot order against the eligible market participant irrespective of a time priority of the eligible market participant (see abstract)).

**Re claim 16.** Claim 16 recites similar limitations to claim 12 and thus rejected using the same art as in claim 12.

**Re claim 17.** Claim 17 recites similar limitations to claim 9 and thus rejected using the same art as in claim 9.

**Re claim 18.** Claim 18 recites similar limitations to claim 10 and thus rejected using the same art as in claim 10.

**Re claim 20.** Claim 20 recites similar limitations to claim 1 and thus rejected using the same art and rationale as in claim 1.

**Re claim 21.** Claim 21 recites similar limitations to claim 2 and thus rejected using the same art and rationale as in claim 2.

**Re claim 22.** Claim 22 recites similar limitations to claim 3 and thus rejected using the same art and rationale as in claim 3.

***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claim 19 is rejected under 35 U.S.C. 103(a) as being unpatentable over Samukawa.

**Re claim 19.** Samukawa discloses the claimed electronic market but does not disclose wherein a process to suspend processing of odd-lot orders for the security if the process to determine whether an odd-lot exposure has been exceeded determines that all exposure limits for all market makers have been exceeded. However, this step would have been obvious to anyone skilled in the ordinary art since the objective of Samukawa system is to limit exposure of participants to odd-lot transactions. If odd lot processing were allowed to continue, even if all participants exposure limit had been exceeded, then certain participants will continue to move further way from the threshold, which would teach away from the intended purpose.

***Response to Arguments***

7. Applicant's arguments filed 01/04/2007 have been fully considered but they are not persuasive. The applicant argues in substance that Samukawa neither describes nor suggests ... updating an odd-lot position of the eligible market participant to reflect

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the executed odd-lot order determining when the odd-lot position for the eligible market participant corresponds to a round lot size; and decrementing the odd-lot position by the round lot size. Contrary to the applicant's assertion, the examiner maintains that Samukawa makes this disclosure (i.e., Samukawa teaches a method for supporting a trading of an odd lot that is less than a round lot stock number determined in every stock company comprises the steps of: receiving from a customer, an odd lot selling order or an odd lot buying order for a particular stock company and storing information of the order into a storage device (for example, step S5 in FIG. 2, or step S35 in FIG. 10); judging whether or not the number of total stocks of the odd lot selling orders or the number of total stocks of the odd lot buying orders received at the receiving step is over a threshold value that is less than the round lot stock number and is determined by a predetermined rule (for example, step S9 in FIG. 2 or step S39 in FIG. 10); and if it is judged at the judging step that the number of total stocks of the odd lot selling orders or the number of total stocks of the odd lot buying orders is over the threshold, generating a selling order of the round lot stock number defined for the particular stock company for the odd lot selling orders or a buying order of the round lot stock number defined for the particular stock company for the odd lot buying orders and outputting information of the order (for example, step S11 in FIG. 2, or step S41 in FIG. 10) (see paras 0005).

The applicant further argues that Samukawa fails to teach an eligible market participant with corresponding displayed quote and a process to reset the odd-lot position. Contrary to the applicant's assertion, the examiner maintains that Samukawa teaches that the counter terminal and the customer terminal display the current price

quotation on the display device - see pg 2 paras 0025, thus since Samukawa displays current price quotation, it is inherent that Samukawa has a mechanism to update quoted price, and if the market participant makes any changes to his displayed quote, Samukawa would reset the odd-lot position of the corresponding displayed quote to reflect the changes.

### ***Conclusion***

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to OJO O. OYEBISI whose telephone number is (571) 272-8298. The examiner can normally be reached on 8:30A.M-5:30P.M.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, RICHARD E. CHILCOT can be reached on (571)272-6777. The fax phone

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number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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RICHARD E. CHILCOT, JR.  
SUPERVISORY PATENT EXAMINER